Article - Alcoholic Beverages

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§2-315.

- (a) (1) In this section the following words have the meanings indicated.
- (2) "Advertisement" includes a graphic or nongraphic sign, display, poster, and placard.
 - (3) "Wholesaling entity" means:
- (i) a holder of a wholesaler's license or a person connected with the business of the holder; or
- (ii) a nonresident dealer or resident dealer of alcoholic beverages.
- (b) (1) Except as provided in paragraph (2) of this subsection, a wholesaling entity may not have a financial interest in:
- (i) the premises on or in which a license holder sells alcoholic beverages at retail; or
 - (ii) a business that a license holder conducts.
- (2) A holder of a Class 6 limited wine wholesaler's license may have a financial interest in not more than one Class A licensed premises.
- (3) A wholesaling entity may not lend money or any other thing of value, make a gift, or offer a gratuity to a retail dealer.
- (4) A retail dealer may not accept, receive, or make use of money, a gift, or an advertisement provided by a wholesaling entity or become indebted to a wholesaling entity except for the purchase of alcoholic beverages and allied products purchased for resale.
- (5) A wholesaling entity other than a wholesaler of beer and malt beverages may not provide an advertisement to a retail dealer.
 - (c) (1) This subsection applies only to brewed products.

- (2) (i) Subject to subparagraph (iii) of this paragraph, a nonresident dealer, resident dealer, or beer wholesaler may not provide to a retail license holder an advertisement that:
 - 1. is worth more than \$150; and
- 2. advertises the beer or malt products of a particular brewer, nonresident dealer, resident dealer, or beer wholesaler.
- (ii) An advertisement provided in accordance with this subsection shall contain brand information that is prominent, permanent, and equal to the life and value of the utilitarian character of the advertising item.
- (iii) An advertisement that is manufactured by a beer wholesaler and provided to the holder of a retail license may not be worth more than \$50 to the holder of the retail license where the advertisement advertises the beer or malt products of the beer wholesaler.
 - (d) (1) This subsection applies only to wine and liquor.
- (2) An advertisement for use in windows or elsewhere on a retail liquor establishment may be given to a retailer by a brand owner who is engaged in the business of a manufacturing entity if:
- (i) the utilitarian value is secondary and only incidental to the value as an advertisement;
- (ii) the total value of an item provided by a brand owner for each of its individual brands for use in any one retail establishment at any one time is not more than \$150 for each individual brand; and
- (iii) the cost of installing these materials does not exceed the usual cost in the locality.
- (3) (i) In lieu of premanufactured advertising material, materials and labor may be provided by a brand owner for the custom manufacture of an advertising display that:
 - 1. is worth not more than \$150;
 - 2. is temporary; and
 - 3. has no other utilitarian value.

- (ii) A nonresident dealer, resident dealer, or brand owner may not undertake a plan that directly or indirectly results in the purchase of advertising materials, supplies, or services by a holder of a wholesaler's license or retail license holder.
- (iii) A holder of a wholesaler's license or retail license holder may not participate directly or indirectly in a transaction in which the license holder pays for or shares the cost for any of the advertising materials, supplies, services, or mailing expenses used to promote a brand owner's products.
- (iv) This subsection does not prevent a holder of a wholesaler's license from providing brand owners with display materials and installation services at charges computed at not less than the fair market value for these services.

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